

MICHIGAN STATE TRANSPORTATION COMMISSION

PUBLIC MEETING

March 19, 2015, Auburn Hills, Michigan

MEETING MINUTES

Members Present: Jerrold Jung, Chair
Todd Wyett, Vice Chair
Angelynn Afendoulis, Commissioner
Ron Boji, Commissioner
Michael Hayes, Commissioner
Charles Moser, Commissioner

Members Absent: None

Also Present: Kirk Steudle, Director, Michigan Department of Transportation (MDOT)
David Brickey, Assistant Attorney General, Transportation Division
Frank E. Raha, Commission Advisor
Phil Browne, Deputy Commission Advisor
Myron Frierson, Director, MDOT Bureau of Finance and Administration
Mark Van Port Fleet, Director, MDOT Bureau of Highway Development
Brenda O'Brien, Engineer, MDOT Construction Field Services Division
Jack Cotter, Commission Auditor, Office of Commission Audits
Mary Fedewa, Executive Assistant, Office of Commission Audits
Thomas A. Tanghe, City Manager, City of Auburn Hills
Tony Kratofil, MDOT Metro Region Engineer
Craig Newell, MDOT Statewide Planning Division
William McEntee, Vice-Chair, Transportation Asset Management Council
About 40 people were in the audience; a sign-in list is attached to the official minutes.

I. WELCOME

Chair Jung called the meeting to order at 10:00 a.m. in Auburn Hills, Michigan.

- ***City of Auburn Hills – Thomas Tanghe***

Mr. Tanghe welcomed the Commissioners on behalf of Mayor Kevin McDaniel and the entire city council. He spoke about the city and its diversity of business, recreational, educational, and residential settings, and the expected growth during 2015. He noted that growth impacts the road infrastructure, so the City of Auburn Hills is investing \$4 million in a partnership with MDOT to build the state's first diverging diamond interchange (DDI) to be constructed at I-75 and University Drive this year. The DDI is expected to make traffic flow more smoothly in the highly traveled area.

- ***Michigan Department of Transportation Director's Report – Kirk Steudle***

Director Steudle updated the Commissioners on the year-to-date number of traffic deaths, currently 142. These deaths affect families in our communities. He noted that MDOT is here to build a transportation network that moves people and goods both

safely and efficiently. He stated that we must keep safety in mind when discussing funding and the condition of roads and bridges.

The Director has given over 20 educational presentations about Proposal 1 for public vote on May 5. He noted the end result is to un-complicate funding so that all taxes paid at the pump go to roads and the increase in sales tax goes to schools, which will make up for the shift in taxes at the pump. The next Commission meeting will be after the public vote, so that meeting will contain a lot of information about next steps no matter whether the proposal passes or not.

Lastly, the Director recognized the Metro Region for how well they handled a recent tanker fire on I-94. Though not required in emergency situations, the Metro Region held a competitive bid for the repair; and they did other repair work while the road was shut down in order to avoid delays to motorists later.

- ***Metro Region Presentation – Tony Kratofil***

Mr. Kratofil first spoke about how diligent inspections discovered cracks in the beams under the I-75/University Drive Bridge, which led to closing the bridge for a short time while temporary supports were installed. He then spoke about adding a diverging diamond interchange at I-75 and University Drive in order to improve traffic flow and safety. The project total is \$25.1 million; construction is scheduled to start in mid-April and will be open to traffic in December 2015.

Statewide there currently are 74 bridges with temporary supports in place to make them safe until rehabilitation or replacement can be done, 60 percent of those bridges are in the Metro Region. Mr. Kratofil anticipates another 23 bridges needing supports soon. He spoke about the work of bridge inspectors and their ability to take action to protect the public. He also talked about pavement conditions and work being done in some areas because of the importance of those roadways to the economy.

Commissioner Hayes asked about follow-up inspections after temporary supports are installed. Mr. Kratofil said that the supports are meant to only secure the area temporarily so those bridges are inspected more often and include inspections of the supports.

No motions required.

II. **COMMISSION BUSINESS**

- ***Minutes of January 22, 2015, Commission Meeting***

Chair Jung requested a motion regarding approval of the minutes from the State Transportation Commission meeting of January 22, 2015. Commissioner Afendoulis made a motion to approve and Commissioner Hayes supported. Chair Jung led a voice vote; all members present voted in favor; **motion to approve carried.**

III. **OVERSIGHT**

- ***Exhibit A: Contract Agreements – Myron Frierson***

Mr. Frierson presented information on 13 agreements. Pending any questions, Mr. Frierson asked for approval of Exhibit A.

Chair Jung requested a motion regarding Exhibit A. Commissioner Afendoulis made a motion to approve and Commissioner Hayes supported. Chair Jung led a voice vote; all members present voted in favor; **motion to approve carried.**

- ***Supplemental Exhibit A: Contract Agreements – Myron Frierson***

Mr. Frierson presented information about one agreement. Pending any questions, Mr. Frierson asked for approval of Supplemental Exhibit A.

Chair Jung requested a motion regarding Supplemental Exhibit A. Commissioner Boji made a motion to approve and Commissioner Afendoulis supported. Chair Jung led a voice vote; all members present voted in favor; **motion to approve carried.**

- ***Exhibit A-1: Bid Letting Pre-Approvals – Myron Frierson***

Mr. Frierson presented information about Letting Statistics and Exhibit A-1. Projections for fiscal year 2015 are for 276 state jobs and a total construction cost estimate of \$691 million. At this point in the year, MDOT has let 61.5 percent of jobs anticipated and 117.7 percent of cost estimates. There were 6 lettings in February and March. Upcoming April lettings are currently advertising 85 projects. Exhibit A-1 lists 60 projects. Pending any questions, Mr. Frierson asked for approval of Exhibit A-1.

Chair Jung requested a motion regarding Exhibit A-1. Commissioner Hayes made a motion to approve and Commissioner Moser supported. Chair Jung led a voice vote; all members present voted in favor; **motion to approve carried.**

- ***Supplemental Exhibit A-1: Bid Letting Pre-Approvals – Myron Frierson***

Mr. Frierson presented information about Supplemental Exhibit A-1, which lists 2 projects. Pending any questions, Mr. Frierson asked for approval of Supplemental Exhibit A-1.

Chair Jung requested a motion regarding Supplemental Exhibit A-1. Commissioner Wyett made a motion to approve and Commissioner Afendoulis supported. Chair Jung led a voice vote; all members present voted in favor; **motion to approve carried.**

- ***Exhibit A-2: Letting Exceptions – Mark Van Port Fleet***

Mr. Van Port Fleet provided information on 12 projects that were over the engineer's estimates. There were 12 justifications for projects where the low bid exceeded the engineer's estimate by more than ten percent; OCA has reviewed. Pending any questions, Mr. Van Port Fleet asked for approval of Exhibit A-2.

Chair Jung asked for Mr. Van Port Fleet for his thoughts. Mr. Van Port Fleet noted some things that are impacting costs and that they are still trying to get a handle on increased cost. Chair Jung spoke about the impact extended warranties have on the number of contractors that can secure performance bonds. Mr. Van Port Fleet noted some projects did have healthy competition of up to 12 bidders, but the bids were still close.

Chair Jung requested a motion regarding Exhibit A-2. Commissioner Boji made a motion to approve and Commissioner Afendoulis supported. Chair Jung led a voice vote; all members present voted in favor; **motion to approve carried.**

- ***Exhibit B: Contract Projects Finaled – Brenda O’Brien***

Ms. O’Brien presented information about Exhibit B, which included cost comparison information about recently finaled contracts.

- For MDOT projects in January and February, there were 95 projects totaling \$191.6 million finaled; 4 of those were more than 10 percent over original contract amounts. 67 projects came in under original contract amounts. For January and February, final contract costs averaged 0.83 percent over and 4.3 percent under original contract amounts, respectively. So far during fiscal year 2015, closed out MDOT projects have totaled \$313.4 million and averaged 0.99 percent under original contract amounts.
- For local agency projects in January and February, there were 102 projects totaling \$65.6 million finaled; 4 of those were more than 10 percent over original contract amounts. 59 projects came in under original contract amounts.

Reasons for additional project costs were provided in the meeting materials for 6 MDOT and 7 local agency projects that exceeded their original contract amounts by more than 10 percent.

Chair Jung noted that the information is a good summary and good way to keep matters transparent to the public.

No motion required.

- ***Exhibit C: Six-month Financial Audit Follow-up Report – Jack Cotter***

Mr. Cotter presented a report about audit projects that are unresolved more than 120 days since the auditor’s report was issued. Reported are six audits with approximately \$700,000 in net recommended adjustments owed to MDOT. MDOT agencies, including the Office of Commission Audits, are working with the audited entities to close these audits. Mr. Cotter also noted that this is the lowest number of unresolved audits in recent years.

Chair Jung requested a motion regarding approval of Exhibit C. Commissioner Wyett made a motion to approve and Commissioner Hayes supported. Chair Jung led a voice vote; all members present voted in favor; **motion to approve carried.**

IV. **PRESENTATIONS**

- ***MDOT Pavement Conditions – Craig Newell***

Mr. Newell reviewed the different types of routes (corridors) throughout the state and projected conditions for each corridor. MDOT currently does pavement forecasting based on Remaining Service Life (RSL) measures. As part of a Federal Highway Administration (FHWA) proposed rule, pavement conditions on National Highway System (NHS) roads will be measured by an International Roughness Index (IRI). The proposed rule requires no more than 5 percent of lane miles to be rated as poor. If this change takes effect, MDOT may need to adjust corridor investment allocations in order to continue receiving federal funds.

He then spoke about options to consider if additional funding is not received through passing of the ballot proposal. One strategy is to focus on rehabilitation vs. reconstruction, which is less expensive to start but costs three-times more than rehabilitation. Another strategy is to focus on the national/international roads and reduce allocations to other roads. Next steps by the Bureau of Transportation Planning are to analyze the impact of proposed FHWA measures and to bring the Commission options for consideration after the May 5th ballot results.

Commissioner Hayes thanked Mr. Newell for the presentation in response to his request at the last meeting, and then asked about how the new federal mandates will affect other roads even if the ballot proposal passes. Mr. Newell agreed that if the new rule is enacted as proposed, we may be required to spend more funds on the NHS to meet FHWA goals, so there will be less funds for the rest of the system. Director Steudle noted that the number of road in NHS was increased two years ago but funding was not, so congress needs to address funding.

Commissioner Afendoulis asked when the rule will be finalized. Mr. Newell said comments are due in May and then after that the rule will be finalized. Director Steudle said that MDOT has sent in comments on the rule and it may be appropriate for the Commission to send in comments also.

No motion required.

- ***Michigan Transportation Asset Management Council (TAMC) 2014 PASER Data and Annual Report Update – William McEntee, Vice-Chair, TAMC***

Mr. McEntee noted that the TAMC has decided to provide the Commission an overview of Pavement Surface Evaluation and Rating (PACER) data that is available at this time. The full report will be finalized the third week in April, presented at the April 30th TAMC Spring Conference, and submitted to the Legislature by May 2nd, as required by PA199 of 2007.

PACER data following the “Polar Vortex” winter of 2013/2014 shows that a number of roads that were previously rated good or fair have become poor. From 2010 to 2014 the rate of decline of paved federal-aid roads exceeded the rate of improvement by 29,000 lane miles or 32 percent. Bridge condition data for 2014 is still being analyzed. While Michigan has made significant improvement to the condition of its bridges we continue to trail neighboring states. Mr. McEntee also highlighted the interactive maps and data available on their website, www.michigan.gov/tamc, to assist both agencies and the public.

Chair Jung asked about developing a database to tie back contractors and construction methods to road conditions. Mr. McEntee said an Investment Reporting Tool (IRT) and Act 51 Distribution and Reporting System (ADARS) is being used to collect that type of data and he expects information to be included in next year’s annual report.

No motion required.

V. **PUBLIC COMMENTS**

• ***Jim Casha***

Mr. Casha suggested that MDOT take a lead in planning a multi-modal transportation hub in Southeast Michigan. Last night he attended a presentation by proposed developers of the former Michigan State Fairgrounds, and he felt it did not address needs of the area. He also feels that the Regional Transportation Authority (RTA) is losing momentum of public support.

• ***Robin Bennett***

Ms. Bennett noted that the Commissioners received a Michigan Statewide Independent Living Council (SILC) position paper on the importance of affordable, reliable, and assessable transportation be available to everyone. She is here to share a personal perspective. A few years ago Ms. Bennett graduated from college but found that her employment options were limited because she could not find transportation at either the times she needed or to the work area. In some cases, the area was only 15 minutes from her home. She also found that most public transportation doesn't run at night. She then researched private options, but found them to not be affordable to a recent college graduate, a private vehicle that would accommodate a wheelchair costs around \$50,000 dollars, and private transportation service would cost about \$35 to go five miles to work. She feels that many people are limited in their life choices due to the lack of public transportation.

Chair Jung thanked her for putting a face on the issue and letting them know that though we spend a lot on public transportation there are more areas of need.

VI. **ADJOURNMENT**

With no further business being before the Commission, Chair Jung declared the meeting adjourned at 11:45 a.m.

VII. **NEXT MEETING**

The next full meeting will be held Thursday, May 21, 2015, in Lansing at the Aeronautics Building.

Signature on File

Frank E. Raha, III
Commission Advisor

The Commission approved these minutes on May 21, 2015.